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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/468,611	12/21/1999	ERIC B. REMER	42390.P7278	3835

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EXAMINER

HAYES, JOHN W

ART UNIT PAPER NUMBER

3621

DATE MAILED: 04/27/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/468,611

Applicant(s)

REMER ET AL.

Examiner

John W Hayes

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 02 February 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1,2,4-7,9,10,13,25,27-29 and 31-34 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1,2,4-7,9,10,13,25,27-29 and 31-34 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 21 December 1999 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

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DETAILED ACTION

Status of Claims

1. Applicant has amended claims 1-2, 4-5, 7, 10, 13, 25, 27-29 and 32-34 in the amendment filed 02 February 2004. Applicant has previously canceled claims 3, 8, 11-12 and 14-24, 26 and 30. Thus, claims 1-2, 4-7, 9-10, 13, 25, 27-29 and 31-34 remain pending and are presented for examination.

Response to Arguments

2. Applicant's arguments filed 02 February 2004 have been fully considered but are either not persuasive in view of the discussion below or moot based on the new grounds of rejection.
3. Applicant's have indicated that they maintain their position with respect to the Gradient reference. Thus, examiner will re-iterate the response to applicant's previous argument with respect to the Misra and Gradient references.
4. Examiner agrees with applicant's previous argument that Misra discloses a license server that determines whether the client is authentic and grants a new license if the client is authentic. Applicant also asserts that Misra does not disclose determining, by the first computer, whether a second license is authentic. Examiner respectfully disagrees with this assertion and notes that Misra discloses that the license server digitally signs the software license and encrypts it using the client's public key suggesting that the digital signature is used to authenticate the license server as well as the license. Furthermore, examiner submits that it was a well known practice in the encryption art at the time of applicant's claimed invention to use digital signatures and hashing functions to authenticate the origin of digital information as well as authenticating the actual information to ensure that the information has not been altered or tampered with.
5. Applicant previously argued that Gradient does not teach generating, on a first computer, a first license for software installed on the first computer, but rather teaches that the license delivery tool creates the license and delivers the license for installation. Examiner submits that, while Gradient does disclose this, Gradient presents this as only one example where the user chooses software from the software

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distribution utility's screen for installation. Examiner submits that this does not preclude other more relevant teachings by Gradient. For example, Gradient also indicates that the tool enables end users to create software licenses on their own systems without outside intervention and the call-backs normally associated with licensing systems. Gradient also discloses the end users can create their own licenses for software distributed on CD-ROM. Thus, examiner submits that Gradient does disclose generating a license by a first computer for software installed on the first computer.

6. Applicant further contends that Gradient does not disclose determining, by the first computer, whether a second license authentic, however, examiner has not relied upon Gradient for this teaching. Examiner submits that Misra discloses this feature, or at least would have been obvious to one having ordinary skill in the art in view of the teaching by Misra of digitally signing the software license and encrypting it when sending the license to the client in accordance with the discussion above.

7. Applicant further asserts that there is no motivation suggested in the prior art for combining the references of Misra and Gradient and also submits that the mere fact that the prior art could be modified to form the claimed structure, the modification would not be obvious unless the prior suggested the desirability of such a modification. In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). In this case, examiner respectfully disagrees with applicant's assertion and submits that Gradient provides the motivation for generating a license by the end user (first computer) such as a demo license and then later purchasing an operational license (second license) for installation. Gradient specifically indicates that providing this capability revolutionizes the economics of software fulfillment and licensing and offers advanced tools that lower the cost of license creation and delivery and provides end users with complete control over their software purchase and deployment decisions (Paragraph 4).

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Claim Rejections - 35 USC § 103

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

9. Claims 1-2, 4-7, 9-10, 13, 25, 27-29 and 31-34 are rejected under 35 U.S.C. 103(a) as being unpatentable over Misra et al, U.S. Patent No. 6,189,146 B1 in view of Gradient, "Gradient Introduces End User Software License Creation and Delivery Tool For Its iFOR/LS Licensing Technology, dated 21 March 1994 and Rose, U.S. Patent No. 5,708,709.

As per **Claims 1, 13 and 33-34**, Misra et al discloses a method for licensing software comprising:

- generating, on a local computer, a first install license for software installed on the local computer (Col. 2, lines 62-67; Col. 3, lines 22-25; Table 1; Col. 11, lines 45-51; Col. 12, lines 8-14);
- obtaining, by the local computer, from a remote computer a second license for software installed on the local computer, wherein the second license is generated by the remote computer (Col. 2, lines 48-55; Col. 4, lines 54-59; Col. 8, lines 35-67; Col. 12, lines 20-27; Col. 14, lines 8-14 and 49-53);
- determining, by the local computer, whether the second license is authentic (Col. 15, lines 29-49), and
- replacing, if the second license is authentic, the install license with the second license (Col. 15, lines 37-49; Col. 16, lines 49-67);
- selectively refreshing the second license prior to expiration of the second predetermined period of time (Col. 14, lines 14-51; Col. 16, lines 49-67).

Misra et al discloses the generation of an install license on a license generator computer which is the same license generator that generates the second license as well, however, fail to explicitly disclose that a local computer generates the install license. Misra further fails to explicitly disclose that the second license is a trial license. Gradient discloses a license delivery and installation tool the enables end users

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to create software licenses of different types on their own system without outside intervention and further teach that end users can create their own "try and buy" demo licenses for software and later, if the user chooses to purchase an operational license, the desired license type may be selected from an options menu and installed. Gradient teaches that authorized end users are able to instantly create short-term licenses and allows end users, working at their own PC, to select from a variety of licensing options and to create licenses of a variety of different types such as "try and buy" licenses that are installed within a single user's workstation or PC. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Misra et al and include the ability to allow a first computer such as a end user to create their own license and store this license on the first computer wherein the license is valid for an extended period of time such as an install license or for a predetermined short-term period of time as taught by Gradient. Gradient provides motivation by indicating that this capability revolutionizes the economics of software fulfillment and licensing and offers advanced tools that lower the cost of license creation and delivery and further provides end users with complete control over their software purchase and deployment decisions.

Misra et al further fail to specifically disclose that the install license is being replaced by a trial license. Rose discloses a system and method for managing try-and-buy usage of application programs and teaches the installation of a trial version application along with the trial license for the application (Figure 9A-9B). Rose further discloses later replacing the original trial license with another trial license (Col. 11, lines 3-15) to enable continued use of the software. Examiner submits that the first trial license disclosed by Rose is equivalent to the install license recited in the claims since applicant discloses in the specification that the "install" license is always set to expire immediately and only used to initiate the generation of a trial license (see applicant's specification, page 6, lines 19-25 and page 13, lines 6-13). Thus, the install license recited in the claims is essentially equivalent to a "trial license", such as that taught by Rose since the install license is only temporary and does not provide unlimited use of the software. Therefore, it would further have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Misra and replace the install license with a trial license as taught by Rose. Rose provides motivation by indicating that this would provide the user with an

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opportunity to continue to use the software under a trial version which would help the user to decide whether or not he/she desires to purchase the operational license (Col. 11, lines 5-12).

As per **Claims 2 and 25**, Misra et al further disclose

- setting, by the local computer, a first identifier to associate the install license with the local computer (Col. 9, lines 29-61; Col. 10, lines 51-59; Col. 12, lines 41-67);
- matching the unique identifier of the second license to the unique identifier of the install license, and if no matching occurs, discarding the second license without replacing the first license (Col. 11, lines 45-65; Col. 11 line 66-Col. 12 line 7; Col. 14, lines 30-39), and
- authenticating the digital signature of the second license, and if authentication fails, discarding the second license without replacing the install license (Col. 12, lines 8-15);
- replacing the install license with the second license if the second license is determined to be authentic (Col. 16, lines 39-67).

Misra does not specifically disclose that the second license is a trial license, however, this was discussed above with reference to claim 1.

As per **Claims 10 and 32**, Misra et al further disclose wherein the licenses are digitally signed (Col. 13, lines 42-63; Col. 14, lines 25-38).

As per **Claims 4 and 27**, Misra et al further disclose wherein obtaining from the remote computer the second license further comprises:

- connecting to the remote computer (Col. 14, lines 14-16)
- providing the remote computer with at least some of the data from the install license (Col. 14, lines 24-30)
- exchanging the provided data from the install license for the second license (Col. 14, lines 49-53; Col. 15, lines 11-18 and 37-49).

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As per Claims 5-6 and 28-29, Misra et al further disclose wherein connecting to the remote computer comprises connecting to the remote computer via a communications network (Col. 4, lines 43-49).

As per Claim 7, Misra et al disclose all the limitations of claim 5, however, fail to specifically disclose wherein exchanging the install license for the second license includes formatting data from the install license according to a set of text processing rules and transmitting the formatted data using a text transfer protocol. Examiner takes Official Notice that formatting data according to a set of text processing rules such as HTML or XML and transmitting the formatted data using a text transfer protocol such as HTTP was well known in the art at the time of applicants invention. Thus, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention to use text processing rules such as HTML for formatting data and use a text transfer protocol such as HTTP for exchanging data since these formats and protocols were commonly used, especially in Internet communications since they were readily available and convenient to use.

As per Claims 9 and 31, Misra et al disclose verifying whether the replaced license is valid, including determining whether the replaced license has expired (Col. 14, lines 30-48).

Conclusion

10. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of

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the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

11. The prior art previously made of record and not relied upon is considered pertinent to applicant's disclosure.

- Horstmann discloses that an end user's machine is installed with a license certificate which typically is installed during original installation of a software product and further including a relicensing manager
- Ross et al disclose a method and apparatus for electronic licensing in a network environment to facilitate product licensing and upgrades
- Coley et al disclose an automated system for management of licensed software and enabling or disabling the software accordingly
- Griswold discloses a license management system that periodically invokes a license check monitor to ensure valid usage of software and terminates use of the software is appropriate
- Horstmann discloses a method of relicensing of electronically purchased software
- Knutson discloses a method for licensing computer programs using DSA signature
- Carter et al disclose a method for network license authentication
- Cohen discloses a method for software licensing electronically distributed programs

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12. Any inquiry concerning this communication or earlier communications from the examiner should be directed to John Hayes whose telephone number is (703)306-5447. The examiner can normally be reached Monday through Friday from 5:30 to 3:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jim Trammell, can be reached on (703) 305-9768.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

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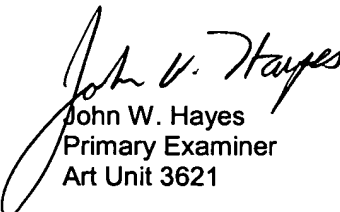
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John W. Hayes
Primary Examiner
Art Unit 3621

April 23, 2004